DE 10-212

September 7, 2010

BY OVERNIGHT MAIL and ELECTRONIC FILING

Debra A. Howland, Executive Director and Secretary
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

Re: Notice of Opportunity to Comment

DE 10-212 Establishing a Commercial and Industrial Renewable Energy Rebate Program

Dear Director Howland:

On behalf of the Unitil companies UES and NU ("Unitil" or "the Company") we appreciate the opportunity to comment on the Commission's proposed C&I Renewable Rebate program. Unitil supports the Commission's Commercial and Industrial Renewable Energy Rebate Program as outlined in Notice of Opportunity to Comment, Order dated August 10, 2010, in Docket DE 10-212 as a rebate for these systems will assist in lowering the upfront cost of emerging renewable energy technologies and will promote the installation of more systems in NH.

Unitil firmly agrees that an energy audit should be conducted of any building whose owner/operator is seeking a renewable rebate. Knowledge gained from this audit will assist the building owner/operator in determining the best course of action for his/her situation: installing a renewable energy system; installing energy efficiency measures; or installing both. The Company suggests waiving this requirement if the building had an energy audit or was built to NH Energy Code Standards within the past five years.

The Company disagrees with the requirement that "qualifying projects must include an energy audit of the building site, and the installation of some of the recommended measures, including measures that have a simple payback of three years or less." The NH utilities and the Commission use a Total Resource Cost (TRC) test to determine if an energy efficiency measure is cost effective. Customers likely use a different test, tailored to their individual needs, to determine if an energy efficiency measure(s) or renewable energy project is "cost effective." Factors that are likely considered may include:

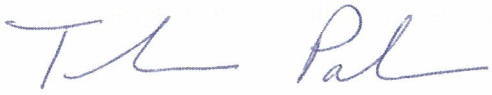
1. Federal tax credits or grants;
2. Accelerated tax depreciation allowances;
3. Public relations gained via installing a renewable energy system or energy efficiency measures;

4. Education opportunities for installing a renewable energy system (for institutions of learning) or energy efficiency measures – more likely for solar PV or solar hot water systems than energy efficiency measures;
5. Available capital to undertake project(s);
6. The ability to install modular systems that with further future investment could lead to "net zero" energy consumption – more likely for solar PV or solar hot water systems;
7. Net present value of the investment;
8. Simple payback;
9. Longevity for remaining at that site and portability of equipment.

Additionally, customers that have a determined capital outlay earmarked for a renewable energy project may not have the capital to undertake the energy efficiency measures with three-year paybacks as these may be more costly than the proposed renewable energy system. Alternatively, the energy efficiency measures and proposed renewable energy system costs combined would be more than the customer's available capital. Either of these probabilities could lead to a customer not taking any action, creating a lost opportunity for NH to reduce its overall energy usage.

The Company looks forward to a successful Renewable Energy Rebate Program and thanks you for this opportunity to comment.

Regards,



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